

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6812**

**BILL NUMBER:** SB 221

**NOTE PREPARED:** Jan 4, 2006

**BILL AMENDED:**

**SUBJECT:** Indiana Toll Road.

**FIRST AUTHOR:** Sen. Tallian

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** The bill prohibits the Indiana Finance Authority from:

- (1) selling the Indiana Toll Road to any entity other than the state;
- (2) leasing the Indiana Toll Road to any entity other than the Department of Transportation (INDOT);
- or
- (3) entering into a contract for the operation of the Indiana Toll Road with any entity other than INDOT.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** The bill would preclude any change (other than the changes already allowed in statute) to the financing, operation, or maintenance of the Indiana Toll Road.

*Background:* The Indiana Finance Authority (IFA) is a body politic and corporate, not a state agency, but an independent instrumentality exercising essential public functions.

Under current law, the IFA may construct, maintain, repair, police, and operate toll road projects in Indiana. In order to secure funds for these functions, the IFA may issue toll road revenue bonds of the state. Toll road revenue bonds do not constitute a debt of the state or of any political subdivision and are payable solely from the funds pledged for their payment or from an allocation of money from the Rural Transportation Road Fund, which is administered by the IFA.

The IFA is allowed, under current law, to contract with or lease to INDOT for construction, reconstruction,

improvements, maintenance or repairs, or operation of toll projects or toll bridges. The statute also allows for the IFA to determine under IC 8-23-7 that a toll road project constructed or operated by the authority should become a part of the system of state highways free of tolls or become a tollway.

In FY 2004, the toll receipts totaled \$85.0 M and revenues from concessions were \$7.0 M. Total expenses were \$60.4 M, resulting in net operating income of \$32.3 M. On June 30, 2004, the Transportation Finance Authority Highway Bonds (IFA) noncurrent revenue bonds and notes payable totaled \$1.4 B.

**Explanation of State Revenues:** See *Explanation of State Expenditures*.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** INDOT.

**Local Agencies Affected:**

**Information Sources:** *State of Indiana Comprehensive Annual Financial Report, 2004*.

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